



DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-56-2016)

Foreign-Trade Zone (FTZ) 279 – Terrebonne Parish, Louisiana
Notification of Proposed Production Activity
Gulf Island Shipyards, LLC
(Shipbuilding)
Houma, Louisiana

Gulf Island Shipyards, LLC (Gulf Island Shipyards) submitted a notification of proposed production activity to the FTZ Board for its facilities in Houma, Louisiana within FTZ 279. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on August 19, 2016.

The request indicates that a separate application for site designation at the Gulf Island Shipyards facilities will be submitted pursuant to Section 400.38 of the Board's regulations. The Gulf Island Shipyards facilities are used for the repair, maintenance and fabrication of tugs, barges, dredges, offshore drilling rigs and other vessels. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Gulf Island Shipyards from customs duty payments on the foreign-status components used in export production. On its domestic sales, Gulf Island Shipyards would be able to choose the duty rate during customs entry procedures that applies to: cargo vessels; passenger vessels; tankers; refrigerated vessels; offshore service vessels; fishing vessels; tugs and pusher crafts; dredgers; offshore drilling or production platforms; floating docks and similar structures; lifeboats and military vessels; and, hulls (duty -free) for the foreign-status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include: floor-bonding coats; epoxy resins; fittings; plastic floor coverings; boxes and crates; handles and knobs; gaskets; life jackets; insulation; plastic tiles; tableware; pipe fittings; flanges; metal elbows; metal sleeves; marine doors; steel wall panels; anchors; small steel drums; steel metadisc fasteners; steel washers; steel fasteners; ladders and raceways; wires; copper fittings; nuts; bolts; washers; screws; nickel fittings; aluminum rods, profiles and fittings; hangers; forgings; lead pipes and pipe fittings; zinc tubes, pipes and fittings; tin tubes, pipes and fittings; metal fittings; flexible tubing; boilers; steam turbines; turbine parts; marine inboard engines; diesel engines and parts; turbine jets; gas turbines; hydrojet engines; fuel oil pumps; cooling pumps; ballast pumps; macerator pumps; hydraulic pumps; bilge, sump and dredge pumps; jet pumps; air and liquid compressors; turbochargers; pumps and compressors; air conditioner units; HVAC units; refrigeration units; fire dampers; heat exchangers; cooling equipment; liquid purifying equipment; fuel filters; air filters; sprayers; winches; derricks; elevators; drilling risers; deck machinery; trash compactors; pressure valves; scupper valves; check valves; relief valves; gate valves; roller bearings; Z-drives; transmission shafts; housed bearings; gearboxes; pulleys; flywheels; clutches; universal joints; acoustic baffles; propellers and blades; AC and DC electric motors up to 746W; electric motors and generators (>750W); single-phase AC electric motors and generators; multi-phase AC electric motors and generators; AC motors and generators (750W-150kW); AC generators; generator sets; electrical ballasts; transformers; rectifiers; power supplies; inductors; starters; heaters; television reception equipment; radar equipment; radio remote control equipment; antennas; tuners; signaling devices; motor starters; switches; connectors; electrical terminals; switching equipment; electrical panels; arc lamps; signal generators; displays; coaxial cables; ignition wiring sets; electric conductors; mirrors; optical instruments; depth-sounding apparatus; micrometers; calipers; thermostats; voltage regulators; marine chronometers; helm chairs; table brackets and plates; seats and accessories; furniture; seat parts; and, searchlights (duty rate ranges from duty-free

to 8.5%). The production activity under FTZ procedures would be subject to the “standard shipyard restriction” applicable to foreign origin steel mill products, which requires that Gulf Island Shipyards pay all applicable duties on such items.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: August 25, 2016

Andrew McGilvray
Executive Secretary

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